



WILLIAM T FUJIOKA  
Chief Executive Officer

## County of Los Angeles CHIEF EXECUTIVE OFFICE

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March 11, 2014

The Honorable Board of Supervisors  
County of Los Angeles  
383 Kenneth Hahn Hall of Administration  
500 West Temple Street  
Los Angeles, California 90012

Dear Supervisors:

**APPROVE THE INTRODUCTION OF AN ORDINANCE TO AMEND  
THE INDUSTRIAL GAS PIPELINE FRANCHISE GRANTED TO  
AIR PRODUCTS AND CHEMICALS, INC. BY ORDINANCE NO. 99-0019F  
(SECOND AND FOURTH DISTRICTS)  
(3 VOTES)**

**SUBJECT**

Approval of these recommendations will amend the existing industrial gas pipeline franchise granted to Air Products and Chemicals, Inc. by Ordinance No. 99-0019F, to extend the term of the franchise through December 31, 2015.

**IT IS RECOMMENDED THAT THE BOARD:**

1. Find that this project is categorically exempt under the California Environmental Quality Act pursuant to Class 1 of the Environmental Document Reporting Procedures and Guidelines adopted by the Board on November 17, 1987, and Section 15301 (Existing Facilities) of the State of California Guidelines for implementation of the California Environmental Quality Act.
2. Approve the introduction of an ordinance to amend the industrial gas pipeline franchise granted to Air Products and Chemicals, Inc. by Ordinance No. 99-0019F, to extend the term of the franchise through December 31, 2015.
3. Introduce, waive reading, and place on the Board's agenda for adoption on March 18, 2014, the accompanying ordinance that implements the above recommendation.

## **PURPOSE/JUSTIFICATION OF RECOMMENDED ACTION**

Adopting an ordinance to extend the term of the industrial gas pipeline franchise granted to Air Products and Chemicals, Inc. (Air Products) by Ordinance No. 99-0019F, will avoid the expiration of the Air Products franchise on April 22, 2014, and allow additional time for the Chief Executive Office (CEO) and County Counsel to obtain Board approval of proposed updates to the County's franchise regulations contained in the County of Los Angeles (County) Highway Code (Title 16), prior to granting Air Products a longer-term franchise.

## **Implementation of Strategic Plan Goals**

The County's Strategic Plan Goal of Operational Effectiveness (Goal 1) directs that we maximize and support timely delivery of efficient public services. Adoption of an ordinance to extend the term of the Air Products franchise is consistent with this goal.

## **FISCAL IMPACT/FINANCING**

Air Products has paid a granting fee of \$5,000 for the Board to adopt an ordinance to extend the term of the franchise, and will continue to pay an annual franchise fee based upon the linear footage formula contained in Ordinance No. 99-0019F. Air Products paid the County an annual franchise fee of \$3,273 for the 2012 calendar year.

## **FACTS AND PROVISIONS/LEGAL REQUIREMENTS**

On March 23, 1999, the Board adopted Ordinance No. 99-0019F granting a 15-year industrial gas pipeline franchise to Air Products, which became effective April 23, 1999 and will expire April 22, 2014.

Air Products transports hydrogen from its plant in Wilmington to oil refineries in the South Bay (Carson and El Segundo) through the pipelines it maintains and operates in County highways located in the West Carson unincorporated area.

## **ENVIRONMENTAL DOCUMENTATION**

This project is categorically exempt under the California Environmental Quality Act (CEQA) pursuant to Class 1 of the Environmental Document Reporting Procedures and Guidelines adopted by the Board on November 17, 1987, and Section 15301 of the State CEQA Guidelines (Existing Facilities).

## **IMPACT ON CURRENT SERVICES (OR PROJECTS)**

This project will not impact or negatively affect any County projects or current services. The Department of Public Works has reviewed this recommendation and expressed no objection to the extension of the Air Products franchise. County Counsel has reviewed the ordinance to amend the Air Products franchise and approved it as to form.

**CONCLUSION**

It is requested that the Executive Office of the Board of Supervisors send conformed copies of the adopted Board recommendation and adopted ordinance Attention: Gary Kinsey, Global Real Estate Manager, Air Products & Chemicals, Inc., 12600 Northborough Drive, Suite 196, Houston, TX 77067-3293, and the offices of County Counsel, Public Works, and CEO, Real Estate Division.

Respectfully submitted,

A handwritten signature in black ink, appearing to read "W. T. Fujioka", with a stylized flourish at the end.

WILLIAM T FUJIOKA

Chief Executive Officer

WTF:RLR

CMM:RB:ls

Enclosures


c: Executive Office, Board of Supervisors  
County Counsel  
Public Works

## ANALYSIS

This ordinance amends the industrial gas pipeline franchise granted to Air Products and Chemicals, Inc., a Delaware corporation, by Ordinance No. 99-0019F, to extend the term of the franchise through December 31, 2015.

JOHN F. KRATTLI  
County Counsel

By



KATHY BRAMWELL  
Principal Deputy County Counsel  
Contracts Division

KB:ng

Requested: 1/9/14  
Revised: 1/9/14

**ORDINANCE NO. \_\_\_\_\_**

An ordinance amending Ordinance No. 99-0019F, relating to the industrial gas pipeline franchise granted to Air Products and Chemicals, Inc., a Delaware corporation.

The Board of Supervisors of the County of Los Angeles ordains as follows:

**SECTION 1.** Section 1 of Ordinance No. 99-0019F, is hereby amended to read as follows:

**Section 1. Franchise Term, Grant.**

A. The right, privilege and franchise is hereby granted to Air Products and Chemicals, Inc., a Delaware corporation (hereinafter, "Franchisee"), its successors and assigns, ~~for the period of fifteen (15) years, beginning with the effective date herein,~~ through December 31, 2015, to lay, construct, maintain, operate, renew, repair, replace, change the size of, and remove or abandon in place pipes and pipelines for the transportation and distribution of industrial gas, excluding any hazardous substances or hazardous waste within the meaning of the "Comprehensive Environmental Response Compensation and Liability Act of 1980," 42 U.S.C. 9601 et seq., as may hereafter be amended, the "Federal Water Pollution Control Act," 33 U.S.C. 1251 et seq., as may hereafter be amended, and the "Solid Waste Disposal Act," 42 U.S.C. 6901 et seq., as may hereafter be amended, together with all manholes, valves, appurtenances and connections necessary or appropriate for the operation of said pipes and pipelines, including poles, conduits, wires, cables and other appurtenances and equipment for telegraph or telephone lines or both, necessary or appropriate for the Franchisee's business in, under, along or across any and all highways now or hereafter dedicated

to public use within the following described service area or areas in the unincorporated territory of the County of Los Angeles, State of California and depicted on the map attached hereto as Exhibit "A-1:"

South Bay Unincorporated Area:

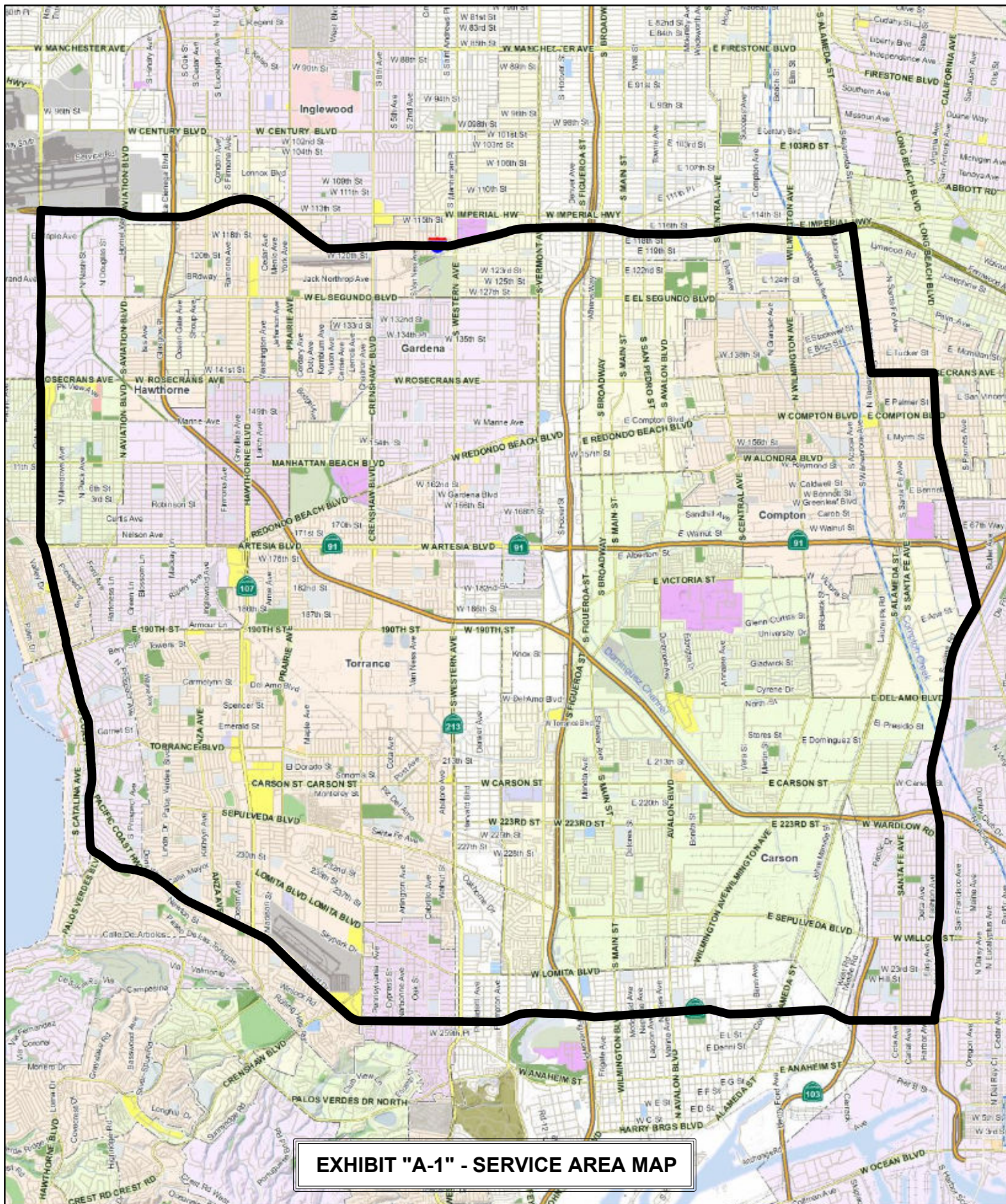
Beginning at the centerline intersection of the Glenn M. Anderson Freeway, a.k.a. Century Freeway (105 Freeway) and Sepulveda Boulevard; thence easterly along the centerline of the Glenn M. Anderson Freeway, a.k.a. Century Freeway (105 Freeway) to the centerline intersection with Alameda Street; thence southerly along the centerline of Alameda Street to the centerline intersection with Rosecrans Avenue; thence easterly along the centerline of Rosecrans Avenue to the centerline intersection with Lakewood Boulevard; thence southerly along the centerline of Lakewood Boulevard to the centerline intersection of Pacific Coast Highway; thence westerly and northwesterly along the centerline of Pacific Coast Highway to the point at Gould Avenue and Artesia Boulevard where Pacific Coast Highway changes its name to Sepulveda Boulevard; thence northerly along the centerline of Sepulveda Boulevard to the point of beginning, as same streets and highways existed on January 12, 1999.

B. The scope of the franchise shall not be expanded without the prior approval of the Board of Supervisors. The operative date of this ordinance shall be April 23, 2014.

\* \* \*

[AIRPRDCHEMFRNKBCC]





**EXHIBIT "A-1" - SERVICE AREA MAP**

<p>Date Jan. 2014</p>	<p><b>COUNTY OF LOS ANGELES - CHIEF EXECUTIVE OFFICE</b>  <b>Air Products and Chemicals, Inc.</b>  <b>South Bay Unincorporated Areas</b></p>	<p><b>Air Products</b>  Ord. 99-0019F</p>
<p>2nd and 4th Supervisory Districts</p>		<p><b>Agent</b>  R. Ball</p>